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No. 9871

IN THE
United States Circuit Court of Appeals
For the Ninth Circuit

SIMPLEX WRAPPING MACHINE Co.
(a corporation),

Appellant,

vs.

CHARLES F. SCHULTZ, IRA E. SCHULTZ,
SCHULTZ FOOD COMPANY (a partner-
ship), and GEORGE KOSTER, doing
business under the fictitious name
and style of Koster Candy Company,
Appellees.

BRIEF FOR APPELLEES.

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FILED

MAR - 4 1942

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and style of Koster Candy Company,
Appellees.

BRIEF FOR APPELLEES.

A. THE PATENT IN ISSUE.

The Plaintiff's patent relates to a machine for making bags from moisture-proof Cellophane, and it is particularly intended to be used by department stores, mail order houses, bakeries, food-packing companies and the like, to allow the latter to form simple types of bags directly from Cellophane stock. Moisture-proof Cellophane has the property, as distinguished from paper and from ordinary Cellophane that overlapping edges may be sealed by the mere application

of heat under pressure, in the absence of glue or other adhesive. The Plaintiff does not claim to be the inventor of moisture-proof Cellophane, nor the discoverer of the above-mentioned specific property.

The machine is illustrated in seventeen figures of drawings and is intended to be used in connection with pre-cut sheets of Cellophane, each sheet furnishing material for a single bag. The machine is semi-automatic in operation, in the sense that the manufacture of each bag requires manual feeding of an individual sheet and manual removal of each finished bag, while the machine itself, upon manual actuation, automatically performs the folding and sealing operations.

The machine comprises in its principal features the following elements (see Gaubert patent, Tr. pages 318 and fig.):

1. A suitable base on which the sheet of Cellophane is initially positioned by the operator. This base includes a flat table top 10 (Figures 3 and 6), lateral cover plates 24 arranged at opposite sides of the table top and at a slightly higher elevation, and positioning means for the sheet of Cellophane comprising lateral guides 30 and gauge pins 35 at the forward edges of the cover plates 24.

2. A mandrel comprising a flat plate 36 of substantially the same width as the table top and hinged in the rear of the machine, as at 37 (Figure 9). This mandrel is lifted to allow the sheet of Cellophane to be inserted underneath the same and is then made to

descend to clamp the central portion of the Cellophane upon the top 10 of the table.

3. The side folding members 44a and 44b. These members are suitably operated to fold the side margins of the Cellophane over the machine after the latter has descended.

4. A pair of fold-line retaining members 62a and 62b (Figure 3). These members are mounted underneath the cover plates 24 adjacent the front edge of the table top and are suitably operated to slide over the front edge of the mandrel to serve as an edge over which the front portion of the Cellophane may be folded.

5. The end folding bar 74, which, through mechanism shown in Figure 4, is made to swing around the front edge of the mandrel to a position above the same and is then made to lower upon the front edge of the mandrel for folding the front edge of the Cellophane over the mandrel. The Cellophane now is folded over the mandrel to form a longitudinal seam and an end seam on top of the mandrel, the two seams being arranged in the form of a T, and being now ready for the sealing operation.

6. The heater 93, which has a T-shaped heating surface adapted to be brought down upon the T-shaped seam for sealing the same in one operation.

Plaintiff's Exhibits 4 and 6 do not represent the patented machine. Plaintiff's Exhibit 4 includes a roll-mounting for the paper which delivers the individual sheets to the operator in more convenient form.

Plaintiff's Exhibit 6 bears no resemblance to the patented machine. It is fashioned altogether after the Schultz machine and, being later than the Schultz machine, will be subject to the charge of infringement of whatever patent the defendants may secure on their own machine.

B. THE PRIOR ART.

The principal prior art structures relied on by the defendant-appellee are the following (Tr. page 9):

Patent No.	Patentee	Date
135,275	Hotchkiss	Jan. 28, 1873
251,402	Beyer	Dec. 27, 1881
515,121	Hunt	Feb. 20, 1894
1,020,821	Hesser	Mar. 19, 1912
1,368,633	Johnson	Feb. 15, 1921
1,703,723	Corse	Feb. 26, 1929
1,780,142	Becker	Oct. 28, 1930
1,953,122	Munson	Apr. 3, 1934
1,973,406	Cooley	Sept. 11, 1934

C. SUMMARY OF ARGUMENT.

The art of making paper bags by machinery is very old; discussed in two early Supreme Court cases, *Union Paper Bag Machine Co. v. Murphy*, 97 U. S. 120, and *Continental Paper Bag Co. v. Eastern Paper Bag Company*, 210 U. S. 405.

The Gaubert machine in its entirety is substantially anticipated in the Hotchkiss Patent, which shows a

table, a movable mandrel, side folding means, end folding means, a retractable fold-line retaining means and sealing means; it employs glue sealing instead of heat sealing.

The Gaubert machine in its entirety is also substantially anticipated in the Beyer Patent which is intended to make the same type of flat bag with the same type of T-shaped seal, and which shows a table, a movable mandrel, side folding means, end folding means and sealing means; it also employs glue sealing instead of heat sealing.

The Patent to Hesser shows "retractable fold line retaining means" similar to those employed in the Gaubert machine.

The Hunt, Corse and Becker Patents teach the art of heat sealing. The Corse heater is mounted in the same way as the Gaubert heater, and the Hunt Patent shows a T-shaped heater similar to Gaubert's.

The claims in issue are invalid; Claim 2 reads word for word on Beyer, except for the one word "heated". The art of heat-sealing is amply taught by Hunt, Corse and Becker. Claim 2 is invalid, because it merely substitutes the well-known equivalent of heat-sealing for the glue-sealing in Beyer; and also because it attempts to reclaim the Beyer machine, while the entire novelty over Beyer resides in the modification of a single element, heat-sealing versus glue-sealing.

Claim 3 is invalid because its only distinction over Beyer resides in the "retractable fold line retaining means", which was old in Hotchkiss and Hesser. It

is also invalid for the reason that it defines the only feature distinguishing it from Beyer in a broad "means" clause.

The other claims in issue do not add any novel features and are void for the reasons advanced in connection with Claim 2. Claim 14 is further void as being drawn to a method which only defines the obvious function of the machine.

The Schultz machine does not infringe any of the claims of the Gaubert Patent; it is built along entirely different lines; it is vastly superior in operation, making from five to ten times as many bags per hour; it is fully automatic while the Gaubert machine is semi-automatic; it requires no operator.

Further, the Schultz machine feeds automatically from a continuous roll, while in the Gaubert machine, the operator manually feeds sheet by sheet; it feeds from the rear of the mandrel, while in the Gaubert machine the operator feeds from the front of the mandrel; it combines removal of the finished bag section, placing of a second section under the mandrel and side-folding of a third section in a single move, while in the Gaubert machine each of these operations involves a separate move. It end-folds over a retractable bar, while the Gaubert machine end-folds over the mandrel. The heater does not form a continuous T, but two separate heaters which seal part of the seam in one operation and part in the next operation.

The development of the Schultz machine called for a high degree of inventive ingenuity over the Gaubert Patent and the prior art.

All of the claims in issue call, in substance, for a side-folding over the side edges of the mandrel and for an end-folding over the end edge of the mandrel. In the Schultz machine, the side-folding is not done over the mandrel but over the rear edge of a stationary extension of the mandrel; and the end-folding is not done over the end edge of the mandrel, but over a special retractable bar projecting in front of the mandrel.

The side-folding and the end-folding operations in the two machines are not equivalent. The Schultz machine uses a "different means" for accomplishing the same purpose. A person may not patent the mere result or function of a machine.

There are hardly any parts in the two machines which are interchangeable.

The defendants have secured claims in a pending patent application which clearly indicate that the Patent Office considers the Schultz machine patentably different from the Gaubert machine.

D. ARGUMENT—VALIDITY.

The art of making paper bags by machinery is very old. There are two celebrated Supreme Court decisions dealing with the subject, *Union Paper Bag Machine Company v. Murphy*, 97 U. S. 120, and *Continental Paper Bag Company v. Eastern Paper Bag Company*, 210 U. S. 405.

The Union Paper Bag decision was rendered in 1877, on a patent which issued in 1859, and apparently paper bag machines were an old institution at that time, because the Supreme Court commented:

“Machines for making paper bags are old, as both sides admit; and the evidence in this case shows that they had been constructed by many persons and in various form for more than twenty years, and with more or less utility. Neither party in this case claims to be the original and first inventor of an entire machine of the kind; nor could such a claim, if made, be sustained in view of the admitted state of the art.”

It is interesting to note that in the present procedure, some seventy years after the date of the famous Supreme Court decision, the plaintiff claims to be the “original and first inventor of an entire machine of the kind”, in the face of the warning of the Supreme Court that such a claim, even if made in 1877, could not have been sustained, in view of the then admitted state of the art.

The *Continental Paper Bag* case was decided in 1907, and it appears that nineteen prior art patents were relied on by the defendants. These two cases clearly indicate that there was considerable activity in the paper bag machine art ever since the early Sixties, and that large manufacturers were engaged in the industry at an early date. This makes it safe to assume that even the oldest prior art patents relied on in the present case issued at a time when the art was fully developed and many operative machines were on the market.

1. THE HOTCHKISS PATENT.

Referring to the present case, and the prior patents relied on, the Hotchkiss Patent of 1873 (Tr. page 437) provides all the essential elements of the Gaubert Patent, except for the heat sealing. The bag manufactured by this machine is illustrated in Figures 11, 14, 15 and 16, and is practically the same as the square bag used up to the present time in every grocery store. The machine comprises:

1, a table consisting of oppositely arranged plates N and O with a recessed portion P' between the same and means for positioning a pre-cut sheet of paper of proper size upon the table;

2, a mandrel j which descends into the recess for clamping the paper between the bottom of the recess and the mandrel;

3, side folding means comprising the plate N and the roller q, which form an upper longitudinal seam;

4, end folding members comprising sliding fingers a' for folding the lateral parts, folder m' for folding down the upper part, and roller q' for folding up the lower part. It is particularly noted that one of these members serves as

5, a fold-line retaining member; the folder m' is described (page 2, second column, line 45 and fig.):

“a thin plate of metal adapted to remain and hold the paper folded down by it until the lower part g' is folded up over it, and then withdrawn just in advance of the said lower part as it is pressed on the upper part from below upward by a roller, q' * * *”

It thus appears that Hotchkiss in 1873 showed substantially the same organization as is found in the Gaubert Patent, except for the heat-sealing, and such variations in form as are inherent in the manufacture of a square bag as compared with a flat bag.

2. THE BEYER PATENT.

The Patent to Beyer of 1881 (Tr. page 452), again presents the same organization and comes still closer in appearance to the Gaubert Patent since it is intended to produce the same type of flat bag. It comprises:

1, a table top A for receiving a pre-formed sheet of paper;

2, a mandrel B shaped and hinged in the same manner as the mandrel in the Gaubert Patent;

3, side folding members E and F for folding the side margins of the paper over the mandrel, these side folding members corresponding exactly to the folding members 44a and 44b of the Gaubert Patent;

4, the end folding member L, which performs the same function as the end folding bar 74 of the Gaubert Patent, and

5, pressure means for effecting the seal.

It should be noted, that even at that time, in 1881, the side folding members were considered old and conventional, the patentee stating (page 1, line 52 and fig.):

“This movement is upon the ordinary principle of paper-bag machines of this class.”

The operation of the machine is almost exactly the same as the operation of the Gaubert machine and is described as follows (page 2, lines 55 to 79) :

“The paper is previously cut out in the ordinary manner for bags. It is laid upon the table in proper position. The treadle is up and the forming plate also. The sides of the paper rest upon the folding plate and the end upon the plate L. Now the treadle is pressed down. The rod C draws down the forming plate B immediately upon the center of the blank. The lever G is then acted upon and draws the folding plate F over, folding its side of the paper over upon the top of the forming plate. The lever H is next acted upon, and as the tension is brought upon the cord 1, the paster J descends and deposits paste upon the edge of the paper, which is then folded over upon the other side of the sliding plate E and pressed down. The strap M is then drawn tight, and the end plate L slides forward, its paster acting at once, and the end of the paper is folded over and rolled down by the roller *s* of the plate. When the pressure upon the treadle is removed, its spring and weight return it, and the various springs herein described return the plate and leave the bag formed upon the plate B. It may then be drawn off.”

3. THE HUNT PATENT.

While thus the Hotchkiss and the Beyer Patents disclose the general organization of the Gaubert Pat-

ent, as applied to glue-sealing, the idea of heat-sealing was by no means novel with Gaubert. A process of heat-sealing is disclosed in the Hunt Patent of 1894. (Tr. page 460.) The patentee uses wax paper and takes advantage of "the adhesive property of the wax with which the paper comprising the bag is coated". (Page 1, lines 23 to 25.)

He folds the wax paper about a block *b* to form a square bag, with a longitudinal seam *a'* and bottom seams *c*.

"The next step in the process consists in applying a heated pressure to the paper where it overlaps, and thereby causing the wax at these places to melt and the overlapping layers of paper to be united. This pressure as here shown consists of a plain iron *d* having handles *d'* and adapted to be brought to bear on the folded bottom of the bag and having a leg *d*² adapted to extend over the side seam *a'* and close the same." (Page 1, lines 54 to 63.)

This heater, as in Gaubert, simultaneously seals seams arranged at right angles to one another and in the elevation of Figure 6 even shows the T-shape extensively dwelt upon in the Gaubert Patent.

4. THE HESSER PATENT.

The Patent to Hesser (Tr. page 466) again shows a similar construction. The sheet of paper is folded about a mandrel 56 (Tr. page 470) which is in the form of a block, to make a square bag. Figures 21 to 24 (Tr. page 466) show the steps taken. The flat sheet

a is first folded about the bottom edge of the mandrel to form upright sides CC' which latter are then folded over the top of the mandrel to form a seam d. The end is then folded in the familiar double-lap found in most paper bags.

It should be noted particularly that the side fold plates 73 and 74 (Figure 10, Tr. page 470) operate in the same manner as the side fold plates 44a and 44b of the Gaubert Patent. The end fold is formed in the manner familiar to every grocery store man, by first turning two opposite sides upon the mandrel to form an inner fold and then turning the two other opposite sides upon the first fold to form an outer fold. (Figure 24.)

The mechanism for folding the bottom or end fold is illustrated in Figure 14, in which the folders 101 first slide over the bottom of the mandrel 56 to form the inner fold and then the folders 110 perform the same operation to form the outer fold. It is interesting to note that in this patent, as in the Hotchkiss Patent, the inner folders 101 serve as "retractable fold line retaining means" for the outer folders 110, and are the full equivalent of the Gaubert fold line retaining member 62a-62b.

5. THE JOHNSON PATENT.

The Johnson Patent of 1921 (Tr. page 484) is of interest as illustrating a slight advance in the art of

folding the paper. It again shows the fundamental elements of practically all bag-making machines, namely a table 1, a movable mandrel 2, means for folding the side edges over the mandrel as illustrated in Figure 2, means for folding the end edges as illustrated in Figures 2, 4 and 5, and means for sealing as at 9 and 10.

6. THE CORSE PATENT.

The Corse Patent of 1929 (Tr. page 488) takes it for granted that the folding of a bag over side edges of the mandrel is so well-known as not to require illustration. But it shows a method of heat-sealing very much similar to that proposed by Gaubert. The electric heater 3 (Figure 2) is carried by the arm 1 and the latter is pivoted to the machine as at 22, the arrangement corresponding exactly to the Gaubert heater 92 carried by the arm 103 pivotally supported at 104. (Figures 1, 9 and 10, Tr. pages 318, 324.)

7. THE BECKER PATENT.

The Becker et al. Patent of 1930 (Tr. page 494) is of particular interest since it applies the process of heat-sealing to the same material as in the Gaubert Patent, namely moisture-proof Cellophane. The bag material is fed in tubular form from the roll 1, passed between rollers 11, and cut as at 12. It then passes between the creasing rollers 15 for creasing the end, and is advanced between the conveying plates 16 and

17 for folding the bottom along the crease. It thereupon passes between the pressure rollers 18 and the heater 20-21 where the bottom seam is sealed. The product is substantially similar to that of the Gaubert machine.

E. THE CLAIMS IN ISSUE ARE INVALID.

In the face of this crowded art, the Plaintiff-Appellant seeks the enforcement of Claims 2, 3, 5, 8, 14, 18 and 19 of its patent, and the Trial Court justly came to the conclusion that Gaubert had made no contribution to the art justifying such enforcement. It will be understood, of course, that there are a number of other claims in the Gaubert Patent, drawn more particularly to structural details, which may have a certain amount of novelty and which may give the Plaintiff protection as against a party attempting to build the same machine as described in the Gaubert Patent.

But the present procedure constitutes an attempt on the part of Plaintiff-Appellant to unduly expand the scope of the patent and to dominate a machine built along altogether different lines.

1. Claim 2.

Claim 2 of the Gaubert Patent, separated into its elements, reads as follows:

2. In a machine of the character described for the manufacture of paper bags from sheet material like "Cellophane",

a, a frame forming an operating table,

b, a plate-like mandrel movably secured to said table whereby a sheet of said material can be placed between one side of the mandrel and the table,

c, means for folding the side margins of the sheet over the side edges of the mandrel,

d, means for folding a projecting end margin of the sheet over one end of the mandrel, and

e, means for applying a heated surface under pressure to overlapping portions of the side margins and to the end margin along an area where the end margin overlaps the side margin.

This claim reads word for word on the Beyer Patent (Tr. page 452), except for the heat sealing. This fact is substantially admitted by the Plaintiff's own expert, Kercher, who, on cross-examination, testifies as follows (Tr. pages 237-241):

Q. Now, referring to the Beyer Patent, and reading from Claim 2, I will ask you whether you do not find most of these elements in the Beyer Patent:

“In a machine of the character described for the manufacture of paper bags from sheet material like cellophane * * *”

A. Yes.

Q. Of course, cellophane is not used in the Beyer Patent. Do you find a frame in the Beyer patent?

A. I do.

Q. Forming an operating table?

A. Yes, sir.

Q. A plate-like mandrel?

A. I do.

Q. Do you find a plate-like mandrel?

A. Yes, sir.

Q. "movably secured to said table whereby a sheet of said material can be placed between one side of the mandrel and the table"—

A. It does.

Q. Does it show means for folding the side margins of the sheet over the side edges of the mandrel?

A. It does.

Q. Does it show means for folding a projecting end margin of the sheet over one end edge of the mandrel?
(Portion omitted.)

Mr. Schapp. My last question was, "Means for folding a projecting end margin of the sheet over one end edge of the mandrel."

Mr. Flehr. What is the question?

Q. Does it show that? Does the Beyer patent show that?

A. Yes, it shows that.

Q. Now, I will ask the last element of the claim: "Means for applying a heated surface under pressure to overlapping portions of the side margins and to the end margin along an area where the end margin overlaps the side margins". Does the Beyer patent show that?

A. The Beyer patent does not show that.

Q. What part of the last sentence is absent from the Beyer patent?

A. There is no means for applying heat over the end margins or the side margins.

Q. No means for applying heat?

A. No, no heated surface.

Q. Apart from the heat, does it contain everything else?

A. No, it does not. It does not contain everything else. I doubt very much in the Beyer patent whether you could even apply pressure on the side margins and the end margins without adding a lot more to the design of the machine.

Q. It would depend on the weight of the plates, probably, wouldn't it?

A. Not only that, but it would necessitate a readjustment of the device—in other words, a different invention.

Q. Doesn't the description call for applied pressure in the Beyer patent?

A. It does not call for applying any pressure. There is nothing indicating any pressure in the Beyer patent, there is no method by which any pressure is applied with the exception of possibly the weight of the plate which slides over the block.

Q. The weight of the plate, itself, would apply pressure, wouldn't it?

A. To a certain extent.

Q. You are ready to admit, then, that every element in Claim 2 is shown by the Beyer patent except the last one?

A. The last one is certainly not there.

Q. And in the last one you are probably willing to admit that any plate lying over those seams would apply some pressure, depending, at least, on the weight of the plate?

A. I can't conceive of that being done on that machine because of the construction of the machine and

because of the fact that after these edges were folded and heat is applied, and it is applied simultaneously and not in succession—in other words, in the patent the seam is sealed first and then the end is sealed.

Q. Does Beyer provide a T-shaped seam when he gets through?

A. He does not. He has a T-shaped seam on the bag, yes. I will correct that.

It is apparent from the above testimony, as well as from an inspection of the drawings in the Beyer patent, that the latter anticipates every element of Claim 2, except for the heat sealing; the table being shown at A, the mandrel at B, the side folding plates at E and F, and end folding plate at L. The edge folded over by the sliding plate E is described as being “pressed down” by the latter (page 2, line 70), and the end fold is described as being “rolled down” by the rollers of the plate L. The Beyer machine is described by Mr. Kercher, plaintiff’s expert, as “relatively crude” but “operative”. (Tr. page 230.)

Since the heat sealing of paper bags has been proposed throughout the prior art, by Hunt in 1894, by Corse in 1929, by Becker in 1930 and by Munson in 1934 (application filed 1929), it must be assumed that by the time Gaubert entered upon the scene, heat-sealing had become an obvious equivalent of glue-sealing. It is clear, therefore, that the definition of Claim 2 distinguishes from the Beyer patent merely in the substitution of a well-known equivalent, heat-sealing under pressure versus glue-sealing under pressure.

That mere substitution of well-known equivalents does not amount to invention, is well settled law.

Claim 2 is also clearly invalid if considered from a different angle. It defines a combination of five elements, four of which are found in the Beyer patent, whereas the fifth (the heat sealing) is a mere departure from a corresponding element in the Beyer patent (glue sealing). It, therefore, clearly comes within the rule laid down by the Supreme Court in *Bassick Manufacturing Co. v. Hollingshead*, 298 U. S. 415, which prohibits repatenting of a whole machine where only one element of the machine is affected by the invention.

Commenting on this case, Walker, Deller's Edition, states on page 217:

“In the case of *Bassick Mfg. Co. v. R. M. Hollingshead*, 298 U. S. 415, 425, the U. S. Supreme Court, in discussing the question whether one who improved one element of an old combination whose construction and operation is otherwise unchanged, may, in effect, re-patent the old combination by reclaiming it with the improved element substituted for the old element, said:

‘That this cannot be done is shown by numerous cases in this or other Federal Courts.’ ”

Claim 2, therefore, is clearly invalid for at least two reasons, namely:

1, it distinguishes from Beyer only in the substitution of a well-known equivalent;

2, it constitutes an attempt to re-patent the Beyer machine as a whole, although the defined improvement, if any, affects only one element of the Beyer machine.

2. Claim 3.

Claim 3 of the Gaubert Patent reads as follows:

3. In a machine for making paper bags from sheet material like "Cellophane",

a, a frame forming a table,

b, a plate-like mandrel movably mounted with respect to the table whereby a sheet of said material may be placed between said mandrel and the upper surface of the table,

c, means for folding projecting side margins of the sheet over side edges of the mandrel,

d, means for folding a projecting end margin of the sheet over one edge of the mandrel, and

e, retractable fold-line retaining means adapted to be interposed within the last mentioned fold.

The parts a, b, c, and d of this claim are all found in the Beyer patent, and the only remaining and distinctive feature of this claim, as compared with Beyer, is found in the "means" clause recited under e. Now, fold line retaining means are not new in the art, in fact they are shown by both Hotchkiss and Hesser.

In Hotchkiss (Tr. page 438), the side folders a' for the end of the bag (Figure 5) are used to fold opposing sides of the bottom of the bag and they "remain for a short time to hold them in place, while a quantity

of paste is delivered etc.” Furthermore, the folder m' , which folds over the top part of the bag end, is described as follows (page 2, second column, line 45 and fig.):

“This folder m' is a thin plate of metal adapted to remain and hold the paper folded down by it *until the lower part g' is folded up over it*, and then withdraw just in advance of the said lower part as it is pressed on the upper part from below upward by a roller, q' etc.”

This action seems to substantially correspond to that of the fold-line retaining members 62a and 62b of the Gaubert patent.

In Hesser (Tr. page 466), the two folders 101 (Figure 14) perform the same function and are arranged in practically the same manner as the fold-line retaining members 62a and 62b of Gaubert. They are made to slide over the end of the bag from opposite sides and form the first or inner fold so as to make it possible for the other pair of folders 110 to make the outer fold over the inner fold. The specification apparently does not state how long the folders 101 remain in place, but it certainly must be assumed that they will remain long enough for the outer fold to be made.

Thus, there is broadly nothing new in providing fold-line retaining members. In Claim 3, the fold-line retaining means is the only feature which distinguishes the claim from Beyer. The definition is sufficiently broad to cover even a ruler which the operator may carry in his pocket and apply occasionally by hand.

The claim does not make any attempt to connect the fold-line retaining means into the operation of the machine. Merely adding a well-known expedient to an existing machine certainly does not amount to invention, but is considered purely aggregation.

Powers Kennedy Corp. v. Concrete M. S. C. Co.,
282 U. S. 175, 176:

“For these reasons we find that the patent (for a concrete conveyer using compressed air), is invalid. It consists of a combination of elements all of which were old in the art. Its application to the transportation of concrete did not involve invention. Neither the combination of old elements or devices accomplishing no more than an aggregate of old results (citing cases) nor the use of an old apparatus or appliance for a new purpose is invention.”

By the same token, the addition of the folders 101 of Hesser to the Beyer machine would be no more than an aggregation of old results.

In *Keystone Driller Co. v. Northwest E. Corp.*, 294 U. S. 42, 50, the Supreme Court said:

“We are convinced that the fixation of a scoop (in an excavator) to the stick, the pivoting of a drop-bottom near the front of the scoop, and the addition of rake teeth at the sides of the scoop, were all old in the art, and that the combination of them and adoption of the combined results were a mere aggregation of old elements requiring no more than mechanical skill, and were not, therefore, patentable invention.”

In a similar manner, it is apparent, that the addition of the slides 101 of Hesser, Figure 14, or of the slides a' of Hotchkiss (Figure 5) to the machine of Beyer would be mere mechanical skill.

Claim 3 is invalid for a second reason, namely that the only distinctive feature is expressed in a broad "means" clause. As has been pointed out before, the term used is so broad as to cover the function rather than the construction, and claims of this type have been held invalid by the Courts as trying to cover too much territory.

This subject was fully discussed in *Davis Sewing Machine Co. v. New Departure Mfg. Co.*, 217 Fed. 775, the Court stating:

"Reliance is also placed upon the opinion of this court, speaking by Judge (afterwards Mr. Justice) Lurton, in *Tyden v. Ohio Table Co.*, 152 Fed. 183, 81 C.C.A. 425. In this case, the claim calling for 'means' was held invalid because it covered all means for accomplishing the result, and so was functional. We do not question the application of the rule as made to the facts of that case; but we do not understand that a claim is functional and invalid merely because one of its specified elements is 'means', as in the *Tyden Case*, or 'mechanism', as in the present case. This result may or may not follow, depending upon whether the all-inclusive term is used with reference to the element or subcombination which is the real point and gist of the invention, or whether it is used with reference to elements or parts of the combination already well-known and designed only to co-operate with the new element in order

to make a completely operative unit. In other words, where used with reference to the exact point of novelty, 'means' or 'mechanism' may expose the claim to attack on the ground that it is functional; in that respect, each case will present a problem by itself. * * *"

It is obvious in view of the prior art that Claim 3 is much too broad in the definition of the only element distinguishing it from Beyer, and would, in fact, cover the manual use of a ruler and any other possible construction for carrying out the function.

3. Claim 5.

Claim 5 is substantially the same as Claim 2, except that it introduces the T-shaped heater by name. There certainly is no invention in making a heater the shape of a T or any other letter of the alphabet. Neither is there invention in making the heating surface the same shape as the surface to be heated. That is the natural and obvious thing to do, and furthermore is fully disclosed in the patent to Hunt (Tr. page 460), where in Figure 6, the heater is shown as being T-shaped and in Figure 7 as being L-shaped. The patent to Beyer (Tr. page 452) arrives at a T-shaped seam, when the folding operation is completed, as admitted by Kercher, the plaintiff's expert (Tr. page 241):

Q. Does Beyer provide a T-shaped seam when he gets through?

A. He does not. He has a T-shaped seam on the bag, yes. I will correct that.

4. Claim 8.

Claim 8 again is substantially similar to Claim 2, except that it defines the mandrel as being pivoted (in the same manner as shown in Beyer), and that it defines, in a rather involved sentence, the peculiar action of the front folding bar 74, which, through some link mechanism illustrated in detail in Figure 4 of the Gaubert Patent, is first raised and then lowered upon the bag. Broadly speaking, this action is substantially the same as that of the front folding plate L in Beyer. (Tr. page 454.)

It is further apparent, regardless of any broad question of infringement, which will be discussed later, that the Schultz machine does not use the "pivotal" connection for the mandrel, nor the peculiar link mechanism illustrated in Figure 4 of the Gaubert patent. (Tr. page 340.)

5. Claim 14.

Claim 14 of the Gaubert patent defines the subject-matter of Claim 2 in the form of a method claim, and is fully met by Beyer (Tr. page 452), except for the heat sealing. Since heat-sealing was, at the time of the Gaubert invention, a well-known equivalent of glue-sealing (see Hunt patent, Tr. page 460, Corse patent, Tr. page 488, and Beyer patent, Tr. page 464), Claim 14 distinguishes from the Beyer patent merely in the substitution of a well-known equivalent.

Claim 14, furthermore, is an improper method claim, since it merely defines the function of the machine.

This is admitted by Mr. Kercher, Plaintiff's expert (Tr. page 224) :

Q. Regardless of the law of the question, I want to ask you now whether in this claim you find any step or any method which is not the mere obvious function of the machine?

A. I do not.

Later in the testimony, Mr. Kercher testified (Tr. page 246) that the steps of the method could be carried out by hand, instead of being carried out by a machine, but this is obviously wrong because the claim expressly calls for the use of "plate-like mandrel having a contour corresponding generally to the contour of a "finished bag" which clearly indicates that it cannot be done altogether by hand.

That the mere function of a machine is not patentable, is well-settled law:

Expanded Metals Co. v. Bradford, 214 U. S. 366, 383, 384:

"It is undoubtedly true, and all the cases agree, that the mere function or effect of the operation of a machine cannot be the subject matter of a lawful patent."

Westinghouse v. Boyden Power Brake Co., 170 U. S. 537:

"Where the process is simply the function or operative effect of a machine, the above cases are conclusive against its patentability; but where it is one which, though ordinarily and most successfully performed by machinery, may also be per-

formed by simple manipulation, such, for instance, as the folding of paper *in a peculiar way* for the manufacture of paper bags, or a new method of weaving a hammock, there are cases to the effect that such a process is patentable, though none of the powers of nature be invoked to aid in producing the result (citations)."

The plaintiff-appellant certainly cannot claim that he folds his bag in a peculiar way, because he follows the exact method used by Beyer.

6. Claim 18.

Claim 18 reads as follows:

18. In a machine for forming bags from sheet "Cellophane" or like material,

a, a mandrel;

b, means for folding over side and bottom margins of the sheet over the mandrel through angles of substantially 180° , thereby forming a T-shaped overlap area on one side face of the mandrel;

c, a heater having a similar T-shaped heated surface, and

d, means for pressing said heated surface upon said overlap area.

This claim again is similar to Claim 2, except that it condenses the folding operations. However, it describes exactly what Beyer does, who folds over side and bottom margins of the sheet over the mandrel through angles of substantially 180° and who forms a T-shaped overlap area on one side face of the mandrel.

The only distinction over Beyer is the T-shaped heater, and it certainly does not amount to invention to make a heater the shape of a T or any other letter of the alphabet, or to make a heater of the same form as the object to be heated, particularly in view of the fact that heat-sealing was well known. (See Hunt, Tr. page 460, Corse, Tr. page 490, and Becker Tr. page 494.) Hunt, furthermore teaches the art of heating transversely arranged seams by means of a single heater and in a single operation, the heater being T-shaped in Figure 6 and L-shaped in Figure 7.

7. Claim 19.

Claim 19 again defines substantially the same subject-matter as most of the claims previously discussed and is fully met by Beyer, substituting Hunt's heat-sealing for the Beyer glue-sealing.

In view of the above considerations, it is apparent that the claims of the Gaubert patent in issue, are obviously invalid. They constitute an attempt to re-patent the broad features of the Beyer patent, with a well-known process of heat-sealing substituted for glue-sealing, and must fail on the well-recognized principle that mere substitution of equivalents does not amount to invention.

F. INFRINGEMENT.**1. PLAINTIFF'S EXHIBITS 4 AND 6 NOT FAIRLY REPRESENTATIVE OF PATENTED MACHINE.**

While thus the Gaubert patent is patterned substantially after the Beyer patent, the Schultz machine is built along altogether different lines, and any ordinary observer, disregarding all the fine points of the patent law and interpretation of claims, would be struck by the fact that there is much greater distinction between the Schultz machine and the Gaubert machine (as shown in the patent), than there is between the Gaubert machine and the Beyer patent.

This fact is quite apparent to any one who would be confronted by the three machines only, the Beyer machine, the Gaubert machine as illustrated in the patent, and the Schultz machine. Unfortunately the plaintiff brought a certain amount of confusion into the situation by failing to produce a machine built like the disclosure in the patent, and by instead producing two machines (Pl. Ex. 4 and 6) representing later developments. This was all the more confusing since the later developments were fashioned after the Schultz machine and the principal features thereof were claimed by the Schultz Brothers as their invention in a pending application. The two later machines, Plaintiff's Exhibits 4 and 6, were introduced over defendants' repeated objections.

(Tr. page 72): Mr. Flehr. We will call it the Commercial Simplex Machine with the cellophane roll attachment. I will offer that machine in evidence, the same to be marked Plaintiff's Exhibit 4.

Mr. Schapp. If your Honor please, may I make an objection at this time? I particularly made a request of counsel to offer the machine in evidence to-day as actually shown in the patent, to bring the machine that formed the basis of his patent application, and instead of that counsel for the plaintiff brings in another machine which has been changed considerably, and particularly which has been changed to look much more like the defendants' machine than the patented machine does."

And again in connection with Plaintiff's Exhibit 6 (Tr. page 80):

Mr. Flehr. I offer in evidence the last machine that the witness has referred to as the all-automatic machine, and to be marked Plaintiff's Exhibit 6.

Mr. Schapp. That is objected to, your Honor, because the machine absolutely is a later development, and does not seem to have anything to do with the patent. The plaintiff has, himself, stated that he didn't bring out this machine until very recently, and the patent is three years old, so that it could not possibly have any bearing on the patent situation. I object to it as being absolutely immaterial and irrevelent to the issues in suit.

And again in connection with the demonstration of Plaintiff's Exhibit 6 (Tr. page 97):

Mr. Schapp. "If your Honor please, I wish to offer an objection to the demonstration of this machine. According to the testimony of this witness this machine was not made until 1940; that is about three years after the patent issued. It doesn't look anything

like the patent; it is a thoroughly reorganized machine. As a matter of fact it has been reorganized to compare with our machine, and in its operation it seems almost exactly the same as our machine. But it is in no wise in issue; the sole thing that is in issue is the patent, whether our machine infringes the claim of the patent. If they have developed a machine that looks something like—maybe it is a copy—when you compare ours, that can have no possible bearing on the questions in issue.”

While apparently the Trial Court was not confused by the presentation of the two later machines, Plaintiff's Exhibits 4 and 6, particularly in view of the strenuous objections made by the defendants, it is only fair to bring this point to the attention of the Appellate Court and to underline the fact that the only safe way of making comparisons is by using the actual patent disclosure.

2. SIMILARITY BETWEEN BEYER AND GAUBERT MACHINE.

The similarity between the Beyer machine and the Gaubert machine as illustrated in the patents is really remarkable.

In each machine the operator is furnished with a stack of pre-formed sheets, each sheet having just sufficient material to form one bag.

In each machine, the operator places a sheet between the table top and the raised mandrel, bringing the sheet manually in the proper position.

In each machine the operator then depresses a foot pedal, which in each machine sets in motion the same cycle of operations, namely:

- 1, bringing down the mandrel;
- 2, folding over the side margins over the side edges of the mandrel;
- 3, folding over the end margins over the end edge of the mandrel;
- 4, sealing the T-shaped seam thus formed;
- 5, raising the mandrel.

In each machine the completed bag is then removed manually and the machine is ready for the next operation.

It should be particularly noted that in both machines, the term "folding over the side edges" and "folding over the end edge of the mandrel" actually means that the side edges and the end edge of the mandrel are used as the folding medium, that is, as a template against which the folding operation takes place.

3. SCHULTZ MACHINE DIFFERENT ORGANIZATION.

As compared with these two machines (Beyer and Gaubert), the Schultz machine is radically different, and produces bags at a rate variously estimated as being five to ten times more than the Gaubert machine produces in a given time. It introduces an entirely new idea into the art, namely the automatic feed from a continuous roll over a rear extension of the mandrel,

which allows the machine to perform three operations at the same time, namely:

- 1, withdrawal of a completed bag section;
- 2, positioning of a second bag section; and
- 3, side-folding of a third bag section.

Comparing the Schultz machine with the Beyer and Gaubert machines:

- 1, there is no bringing down of the mandrel;
- 2, there is no side folding over the side edge of the mandrel;
- 3, there is no end folding over the end edge of the mandrel; and
- 4, there is no raising of the mandrel.

In the Schultz machine, the mandrel essentially retains its position at all times, there being some slight vibratory action as the result of the alternate advance of the cellophane and the pressure of the heaters; but this movement is merely incidental to other operations and does not involve any separate, time-consuming steps as in Gaubert.

In the Schultz machine, there is no side folding over the side edge of the mandrel. The side folding is done over the rear edge of a rear extension of the mandrel; and the cellophane reaches the mandrel already folded.

In the Schultz machine, there is no end folding over the end edge of the mandrel; the end folding takes place over the bar F (drawing, Tr. page 363) which projects beyond the front edge of the mandrel.

Furthermore, the Schultz machine does not use a T-shaped heater, if the term is intended to mean anything. In Gaubert, the T-shaped heater is intended to correspond to the T-shaped seam so as to seal the same in one operation. He has to use a T-shaped heater, inasmuch as he has only one operation available on account of his individual sheets.

In the Schultz machine, two heaters are provided, spaced one from the other by at least the width of the bar F. (Tr. page 363.) The Schultz machine has to use two heaters to accommodate the bar F and can afford to use two heaters, because, working on a continuous ribbon, they have more than one operation available for sealing the two seams.

4. GAUBERT CLAIMS DO NOT READ ON THE SCHULTZ MACHINE.

All of the claims in issue call for a side-folding "over the side edges of the mandrel", and for end-folding "over the front edge of the mandrel", except for Claim 18, which calls for side and end folding "over the mandrel".

The Schultz machine does not side-fold "over the side edges of the mandrel", nor end-fold "over the end edge of the mandrel" nor does it do any folding over the mandrel.

Thus the Schultz machine clearly avoids infringement of all the claims in issue, regardless of the questions whether the Schultz mandrel is considered "movable" or the Schultz heater considered T-shaped.

5. DIFFERENCES CLEARLY SEEN BY TRIAL JUDGE.

That the Trial Judge, who had the machines before him, and who repeatedly followed the operation of each machine, immediately saw the marked differences between the Gaubert machine and the Schultz machine, may be clearly seen from the following part of the testimony of Mr. Kercher, the plaintiff's expert, (Tr. pages 139-142):

Mr. Flehr. Q. Now, Mr. Kercher, would you point out the mechanism on this Plaintiff's Exhibit 4 which folds over the side margins of the sheet?

A. In Plaintiff's Exhibit No. 4 the machine is so designed that the plates—after the mandrel has been lowered upon the material between—on top of the plate side, the plates are successively pushed over the top of the mandrel, folding the cellophane over the top of the mandrel.

Q. Now, do you find anything in this Defendants' Exhibit A corresponding to those folding elements?

A. Yes. In Defendants' Exhibit A we find a device which is substantially equal in effect; that is produced by bringing the cellophane over the end of the mandrel at such an angle that the sides are folded successively, one side under the other side, over the top of the mandrel, so that the longitudinal seam can be sealed in one operation.

Q. Now, would you just briefly point out where you find such folding means illustrated in the patent in suit. Point it out in connection with the drawing.

A. It is indicated here in the drawing in Figure 6 that the plates marked 28 will move over the top of

the mandrel causing the sides to be folded over the top of the mandrel.

The Court. Figure what?

The Witness. In Fig. 6, pardon me, I see the plates there are in this case 44a and 44b.

The Court. 44a and 44b. Point them out on the machine.

A. They are the little plates in the operation of the machine. Your Honor, the mandrel comes down, the cellophane laying over the plate on the top; these plates on the side here——

The Court. Yes.

The Witness (continuing). ——over the top of the mandrel move out folding the cellophane over the top of the plate, one moving in after the other. That is the same as the folding means that they have on the end of the mandrel. In other words——

The Court. The same? In what respect is it the same?

A. In that the cellophane is folded over the top surface of the mandrel. This means of folding it produces the identical effect that the other means has that is arranged on the end of the mandrel, whereas these move over the side of the mandrel.

The Court. Yes, but what similarity is there between the two?

A. It would be perfectly feasible to arrange this roll of paper in such a way that this sheet could be brought in here on this machine, which is Exhibit A, the defendants' machine, and the folding device on this machine could be put on here to accomplish the same purpose that that does.

The Court. All right; granting that is true, what is the similarity of those two operations?

A. The similarity is that they fold——

Q. The result is the same?

A. They fold the cellophane over the top of the mandrel.

Q. In one the fold there is without any slots in the operation; the other folds itself on account of the position of the roll and the way it is fitted into the machine; is that true?

A. That is the idea.

Q. And at an angle. What similarity is there between those two?

A. The similarity is that when we read the patent claim, the patent claim does not indicate that this has to be this kind of a device; it provides means for folding the cellophane over the top of the mandrel.

The Court. That is all right.

A. Regardless of what kind of a method we use, the means which are essential perform essentially the same function.

The Court. Q. You get the result by different means.

A. Yes.

Q. Then the question is, what is the similarity in the means. Only the position of the paper and the diagonal position over which it goes down, is that true?

A. That is true.

The Court. All right. That is all. Pardon me for interrupting counsel.

The “diagonal position” mentioned by the Court applies to the improved machine offered in evidence by plaintiff, and not to the machine actually shown in the patent.

Both the Court and the plaintiff’s expert agreed that the defendants’ machine performed the side-folding by different means, and the expert found it difficult to discover any similarity between the means. The only similarity the Court could see, was “the position of the paper and the diagonal position over which it goes down”, and these features, while present in the machine, Plaintiff’s Exhibit 4, are not shown in the Gaubert Patent.

6. ELEMENTS NOT EQUIVALENT.

The question of infringement, therefore, seems to hinge on the question whether the means employed by the Schultz machine for making the bag may be considered the equivalent of the means employed in the Gaubert Patent. For the purposes of discussion, we may assume that the result of the two machines is substantially the same, namely, that the bag produced by the Schultz machine is substantially the same as that produced by the Gaubert patent, although there is a minor difference.

Comparing the machines as a whole, the following differences may be pointed out:

1. The Gaubert machine is hand operated, while the Schultz machine is entirely automatic.

2. The Gaubert machine produces from 500 to 900 bags per hour (Tr. page 164, 700 to 900 bags per hour; Tr. page 112, 500 bags per hour); the Schultz machine produces 4000 to 5000 bags per hour.

3. The Gaubert machine uses many more operations for each bag than the Schultz machine. Since each operation requires a certain amount of time, this explains the relative speeds of the two machines.

In detail the operations may be set forth as follows:

The Gaubert Patented machine:

1. Raising of the mandrel;
2. Manual placing of the individual sheet underneath the mandrel;
3. Bringing down the mandrel;
4. The side folding;
5. The end folding;
6. Bringing down the heater;
7. Raising the heater;
8. Manual removal of the finished bag.

The Schultz Machine:

1. The automatic traveling forward of the finished bag. This simple operation pulls out a completed bag section, draws a second bag section underneath the mandrel and side folds a third section over the stationary extension;

2. The cutting and end folding, carried out in one movement;

3. Bringing down the heater;
4. Raising the heater.

There are no definite and independent steps of raising and lowering the mandrel as in the Gaubert Machine. What little movement of the mandrel there is, is incidental to the advancing of the paper and the downward movement of the heater, and does not consume any time in the operation of the machine.

Thus, the Schultz machine reduces the number of operations to one-half, and increases the output from five to ten-fold.

G. THE LAW.

1. EQUIVALENCY.

The law of equivalency has been discussed in many decisions. Broadly speaking, the range of equivalents allowed an inventor depends upon the state of the art and is commensurate with the scope of the invention.

Westinghouse v. Boyden Power Brake Co., 170 U.S. 537:

“To what liberality of construction these claims are entitled depends to a certain extent upon the character of the invention, and whether it is what is termed in ordinary parlance, a ‘pioneer’. This word, although used somewhat loosely, is commonly understood to denote a patent covering a function never before performed, a wholly novel device, or one of such novelty and importance as to mark a distinct step in the progress of the art, as distinguished from a mere improvement or per-

fection of what has been done before. Most conspicuous examples of such patents are: The one to Howe of the sewing machine; to Morse of the electric telegraph; and to Bell of the telephone. The record in this case would indicate that the same honorable appellation might be safely bestowed upon the original air-brake of Westinghouse, and perhaps also upon his automatic brake.”

The plaintiff in this case would hardly have the temerity to classify himself with the above inventors. Paper bag machines have been made for many years and his organization corresponds substantially to that of the Beyer patent. It is apparent that his invention, if any, falls within the class of so-called secondary inventions, and is entitled only to a relatively narrow range of equivalents.

Electric Protection Co. v. American, etc., Co.,
184 Fed. 916, 923, CCA 8 (1910):

“To sustain the charge of infringement the infringing device must be substantially identical with the one alleged to be infringed in (1) the result attained; (2) the means of attaining the result; and (3) the manner in which its different parts operate and cooperate to produce the result. If the devices are substantially different in either of these respects the charge of infringement is not sustained.”

Union Paper Bag Machine Co. v. Murphy, 97
U.S. 120, and other citations.

In the present case, it is clear that the Schultz machine does not use the same means of attaining the

result, nor the same manner in which its different parts operate and cooperate to produce the result. In fact, the plaintiff's expert admitted that the Schultz machine involved different means for accomplishing the result and he was unable to point out any similarities in the different means employed.

Railway Company v. Sayles, 97 U.S. 554:

“In such case, if one inventor precedes all the rest, and strikes out something which includes and underlies all that they produced, he acquires a monopoly, and subjects them to tribute. But, if the advance toward the thing desired is gradual, and proceeds step by step, so that no one can claim the complete whole, then each is entitled only to the specific form of device which he produces, and every other inventor is entitled to his own specific form, so long as it differs from those of his competitors and does not include theirs.”

The Gaubert invention is certainly one of those developed in the step by step process. There is not a single new idea advanced in this patent. The general organization is shown in the Beyer Patent, the fold-line retaining means is shown in Hesser (Figure 14), the heat-sealing is suggested in Hunt, Corse and Baker, and the T-shaped heater in Hunt. This is clearly a case where each inventor is entitled to his own specific form.

2. CONTRIBUTION MADE BY DEFENDANTS.

That the contribution to the art made by Defendants' machine, also forms an important factor, appears from the following quotation:

H. Ward Leonard, Inc. v. Maxwell Motor Sales Corp., 252 Fed. 584, C.C.A. 2:

"An inventor is, of course, not confined to the exact details of his disclosure, else his patent would be of small value. The extent to which he may generalize it depends, not only on the surrounding pressure of the art, but the extent to which the variations which he wishes to cover in his claims, are themselves within the initiative of a journeyman of the art. For the inventor's contribution must be a sufficient guide in itself, and its extent is limited to such substitutes for any disclosed element, as the art needs no help to find."

Would the Gaubert machine suggest to an ordinary mechanic the improved structure of the Schultz machine? Certainly not. In fact, the Schultz structure is much more ingenious than the Gaubert structure. After all, in folding his sheet, Gaubert follows not only the teachings of Beyer and other inventors, but uses the most obvious manner of folding a piece of paper into a bag, which would probably be followed by any person confronted with the task of making a bag.

The real forward step came in the Schultz machine which developed the idea of feeding from a continuous roll and of causing the machine to work on three different sections of the roll at one time; simultane-

ously pulling out one (completed), pulling a second bag section into place, and side-folding a third section. This idea certainly was ingenious and increased the speed of the machine manifold. To call this such a substitute for the conventional method used by the Gaubert Patent "as the art needs no help to find" would be hardly fair.

3. NO INTERCHANGEABILITY OF PARTS.

It has been held that interchangeability or non-interchangeability is an important factor or test in determining the question of infringement. (*Mills v. Eagle Co.*, 151 U.S. 186, 208.) Comparing the two machines, there is really nothing that is interchangeable:

1. The Gaubert machine operates on pre-formed sheets; the Schultz machine from a continuous roll. Gaubert's sheets could not be used on the Schultz machine, as admitted by Mr. Kercher, Plaintiff's expert (Tr. page 200):

Q. But the machine, as it stands there, will it make a bag from a sheet of pre-formed material?

A. (Mr. Kercher). I would say that would be rather impossible——

Q. Would it be possible with an ordinary-sized sheet, such as used in an ordinary bag, with this machine?

A. No, it would not.

And the continuous roll of Schultz, could not be used on the Gaubert machine, as admitted by the same expert. (Tr. page 197):

Q. I am not asking you what is perfectly obvious. I am asking you whether it (the Gaubert machine) solves the problem of making bags from a continuous roll without intermediate cutting.

A. It could not be done without the cutting.

2. The Gaubert patent uses a flat table top 10, whereas the Schultz machine uses a mere T-shaped frame member to lend support for the heating operation. Gaubert needs a flat table for the original positioning of the paper and it is apparent that the T-shaped frame member of the Schultz machine would not offer sufficient surface to support the paper.

3. The Gaubert mandrel is short, substantially the length of the bag to be formed. The Schultz mandrel has a stationary extension which makes it about twice as long. The Gaubert mandrel could not be used on the Schultz machine because it does not have the stationary extension, and the Schultz mandrel would, at least, be very awkward to use on the Gaubert Machine.

4. The side folding members 44a and 44b of Gaubert could not be used on the Schultz machine. The Schultz machine requires the full length of the rear extension of the mandrel to effect the side folding without tearing the paper. Gaubert's side folders can only be used on pre-cut sheets. If used on a continuous roll or sheet they would hopelessly tear the paper.

5. The end folding means are not interchangeable. The Gaubert machine folds over the front edge of the mandrel and does not leave any projecting portion

for automatic grippers to act on. The fold line retaining means are not interchangeable. The slides 62a and 62b would not work on the Schultz machine, because the mandrel is not held in any definite position, and the Schultz Bar F (Tr. page 363) could not be used in the Gaubert machine for the reason that it does not leave the mandrel and would prevent the raising of the mandrel in the Gaubert patent.

6. The heater is not interchangeable because the Gaubert heater does not have the gap to accommodate the Schultz fold-line retaining member; and the Schultz heater would not make a complete seal if used on the Gaubert machine on account of the gap.

It is thus apparent that except for the final result of the finished bag, the two machines really have nothing in common, either in the means for accomplishing the result, or in their respective modes of operation.

4. DEFENDANTS' OWN PATENT APPLICATION.

The defendants filed a patent application of their own on their machine, and a copy of the file wrapper in this application was introduced in evidence as Defendants' Exhibit I. (Tr. page 531.) The drawings in this application are found on Tr. pages 559-560. While the case was at that time still in due course of prosecution, the Examiner of the Patent Office had already indicated (Tr. page 567) that Claims 4, 5, 10, 11, 17, 18 and 20 were allowable. The allowed Claim 10 reads as follows:

10. In a bag forming machine, means for revolvably mounting a roll of material for feeding a ribbon of material therefrom, means engaging the front end of the ribbon for intermittently advancing the same a specified distance, means for forming an intermediate portion of the ribbon into a tube during the advance, with overlapping longitudinal edges, means for cutting the ribbon at the end of each advance and at a point spaced from the front edge, so as to present a new front edge, a transverse bar overlying the ribbon, means for intermittently moving the same between an advance position near the front edge of the tube and a retracted position, means for turning the new front edge over the advanced bar to form a transverse closure for the tube, two heating elements, one being transverse and one being longitudinal, and means for pressing the same upon the turned front edge and the longitudinal overlap for sealing the same when the bar is retracted, the heating elements being spaced by a distance equal at least to the width of the bar.

This claim defines the Defendants' machine in its entirety, as distinguished from the Plaintiff's machine in its entirety. *This is not a definition of the Gaubert machine, with something added to it, but is a definition of a new organization.* A careful reading of the claim will convince the Court that there is hardly a word in the claim which even remotely reminds the reader of the Gaubert machine.

The Gaubert Patent does not show any means for revolvably mounting a roll of material for feeding a ribbon of material therefrom, nor any means en-

gaging the front end of the ribbon for intermittently advancing the same a specified distance.

The Gaubert Patent does not show any means for forming an intermediate portion of the ribbon into a tube during the advance, nor any means for cutting the ribbon at the end of the advance and at a point spaced from the front end so as to present a new front edge.

The Gaubert Patent does not show a transverse bar overlying the ribbon with means for intermittently moving the same between an advanced position near the front edge of the tube and a retracted position. (His members 62a move laterally to clear the bag.)

Finally, the Gaubert Patent does not show the two heating elements spaced by a distance equal to the width of the bar.

The only features of the claim which even remind of the Gaubert Patent are the means for turning over the bottom edges and the means for applying the heater, and both of these are amply disclosed in the Becker Patent of 1930. (Tr. page 494.)

This comparison clearly shows that the two machines represent two substantially different parallel developments, touching at two points only, neither of which was basically new in the Gaubert Patent.

The file wrapper also shows that the following claim was allowed:

20. In a bag making machine, a heating means for a bag having a transverse bottom seam and a longitudinal seam, comprising a supporting bracket, a

heater arranged transversely thereon for sealing the bottom seam and a second heater mounted longitudinally there on for sealing the longitudinal seam, the second heater being spaced from the first heater to allow clearance for an interposed forming element.

This claim defines the Defendants' heater and its allowance clearly shows that the Examiner of the Patent Office saw a substantial difference between the Defendants' heater and that shown in the Gaubert Patent.

The opinion of the Patent Office is entitled to considerable weight:

“Considering the complainants and Whitney as alike having improved on the prior art, the question is whether the specific improvements of the one actionably invaded the domain of the other. *The presumption from the grant of letters patent is that there was substantial difference between the inventions.*”

Kokomo Fence Machine Company v. Kitselman,
189 U.S. 8.

“There is a presumption from the grant of letters patent for two improvements on the prior art that there is a specific difference between the inventions.”

Dalton Adding Machine Co. v. Rockford Milling Machine Company, 253 Fed. 187.

“A presumption arises from the grant of letters patent to Crotto that his invention is different from that of Rynearson.”

Gerrity et al. v. Dallas Foundry, 4 Fed. (2d) 655.

A case closely parallel to the one under discussion is *Edwards v. Johnston Formation Testing Corp.*, 44 Fed. (2d) 613, in which the Plaintiff, never having used the actual machine shown in the patent, sought to extend the scope to the machine actually used by him, and thence to the Defendant's machine:

“Further, Plaintiff finds his position more complicated by the fact that the forms of the device which he now employs in commercial practice are not those shown in the drawings and specifications of the patent, that the device of his patent was never commercially used, and that he is now seeking not only to protect himself in the presently used device as an equivalent to that shown in the patent, but through the similarity of the presently used device to that of the Johnston device is seeking to extend the doctrine of equivalents from his patent description to the device now used by him, and having done so, by a further step to that of Johnston.”

“Plaintiff's effort in this regard is not helped by the fact, that the Patent Office, after full investigation, has granted to Johnston a patent on his device. (Citations.) While it is true that the grant of a subsequent patent does not raise in law any controlling influence of noninfringement, *Wisconsin-Minnesota Gas Co. v. Hershey Company* (C.C.A.), 28 Fed. (2d) 838, in determining the question of infringement as a fact, the action of the Patent Office in granting the patents, and the disclosure of the file wrapper, are entitled to weight in determining the fact question of whether between the two devices, there is a substantial difference in function.”

While in the above case the machine shown in the patent had never been actually used commercially, the present case is somewhat different in that Gaubert did use the patented machine commercially. But it should be remembered that of the machines actually shown in the patent, only six were sold. (Tr. page 106.) After the feed roll attachment was added, some one hundred and thirty-nine (Tr. page 105) were sold during a period of about six years, that is, about twenty-three per year. The real success began only after the Plaintiff had reorganized his machine along the lines of Defendants' machine when he sold sixty-nine machines in less than one year. (Tr. page 103.)

It is true that Courts have not been willing to unanimously accept the doctrine that the grant of a patent to defendants creates a presumption of non-infringement. It is admitted that no such presumption is justified in view of the Court decisions. The defendants' patent may cover merely an addition to the Plaintiff's patent, or, as expressed in *Herman v. Youngstown Car Manufacturing Company*, 191 Fed. 579, may constitute an infringement of the plaintiff's patent plus some improvement. In that case, the presumption of non-infringement would not be justified.

On the other hand, the Defendants' patent may represent a different species, a parallel development, as in the present case. In that case it becomes important to decide whether one structure is the equivalent of the other, and the granting of a patent on the second structure creates the presumption, as stated in the Supreme Court case of *Kokomo v. Kitselman*,

above cited, that there is a substantial difference between the two structures. That seems to be the gist of the many court decisions on this point.

In the present case, the plaintiff, at best, has only made some minor improvements over the Hotchkiss and Beyer Patents. Broadly speaking, Gaubert clung to the Beyer machine, and as long as he did, he had a machine of very limited capacity. The defendants broke loose entirely from the Beyer conception and developed the automatic rear feed from the continuous roll, which eliminated all hand operation and increased the capacity from five to ten times. After the defendants had introduced their new machine, the plaintiff adopted the salient features thereof, and now he is trying to expand the scope of his minor improvements to cover the radical departure in Bag Making Machines originated by the Schultz Brothers. This would hardly seem fair.

H. CONCLUSION.

It is respectfully submitted:

1. That Claims 2, 3, 5, 8, 14, 18 and 19 of the Gaubert Patent in issue are invalid for the principal reason that they constitute an attempt to re-patent the Beyer machine, with some minor modifications amply disclosed in the prior art; heat-sealing in the Hunt, Corse and Becker Patents; and the retractable fold-line retaining means in the Hotchkiss and Hesser Patents.

2. That Claims 2, 3, 5, 8, 14, 18 and 19 of the Gaubert Patent in issue are not infringed by the Schultz machine for the reasons that the Schultz machine is built on entirely different principles, is vastly superior and there are hardly any two parts in the two machines which could be interchanged.

Dated, San Francisco,
March 4, 1942.

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